

RECIPROCITY TREATY.

MEMORIAL

OF

I. D. ANDREWS,

RELATIVE TO

*The reciprocity treaty between the United States and Great Britain
and the trade with the British North American provinces.*

JUNE 12, 1860.—Referred to the Committee on Foreign Affairs, and ordered to be printed.

*To the honorable the Senate and House of Representatives of the United
States in Congress assembled :*

Your memorialist, I. D. Andrews, late consul general for the United States of American provinces, respectfully represents: That he has witnessed with deep concern certain movements which threaten to disturb the existing commercial relations between the United States and the British North American provinces; representations hostile to the commercial system, existing under the reciprocity treaty, have been presented to Congress from districts locally affected; official statements unfavorable to the treaty, as has been stated in the public prints, have been made, and the press in certain quarters has advocated the extraordinary measure of abrogating the stipulations of the treaty by simple legislation.

Your memorialist is therefore constrained to protest against these opinions being received as indications of the sentiment of the commercial community of the United States in regard to the reciprocity treaty.

Commercial prosperity is founded upon industrial activity, and indicates the reward of the producer; a policy which increases the trade of the country must be beneficial in its results. Your memorialist therefore regards it as a sufficient answer to the objections urged against the reciprocity treaty, that it has effected an increase of trade without parallel in the commercial history of the country. In consequence of this treaty, the trade between the United States and the provinces was more than trebled in four years, the total trade having increased from \$16,000,000 in 1852 to \$50,000,000 in 1856, and having amounted in the past year, although a period of great general depression, to near that sum, as illustrated by the following exhibit from the treasury returns:

Exports of domestic produce and manufactures to the British North American provinces in 1859.....	\$21,769,627
Foreign produce and manufactures.....	6,384,547
Total exports.....	<u>28,154,174</u>

Total imports from the British North American provinces in 1859,
\$19,727,651.

This trade employed a tonnage of over three and a half millions of tons upon the great lakes and the Atlantic coast, about equally divided between the American and colonial built shipping.

The sanguine anticipations of the early advocates of the treaty have been more than realized. The Committee on Commerce, in a report made to the House of Representatives in 1853, say: "That under a liberal commercial system we may predict that in sixteen years our domestic exports to the colonies will be from twenty-five to thirty millions of dollars, and greater than our present exports to any country in the world except Great Britain." In two years only after the treaty was ratified the total exports to the provinces amounted to near twenty-two millions!

The numerical value of this trade, however vast as it really is, does not represent its whole benefit to the country, as compared with the trade with other countries. This commerce partakes of the nature of a home trade, and is comparatively exempt from the heavy charges for commission, exchanges, and transportation which burden the commerce with more distant countries.

The two great commercial nations of Great Britain and France have manifested, by their recent commercial treaty, their appreciation of the value of free intercourse between contiguous countries. The remark of an able advocate of that treaty in the British Parliament applies with greater force to the commercial intercourse between this country and our colonial neighbor. One mode, it was said, "of improving the resources of England is to increase the commercial intercourse with the great country which lies at her doors. These increased commercial transactions must necessarily add to the wealth of this country."

The sudden rupture of the commercial and friendly relations established by the treaty between this country and the northern provinces would be a deplorable calamity to both countries. Ships and warehouses have been built, extensive business arrangements have been made, and a vast capital invested in the colonial trade on the faith in the continuance of the present treaty, which relieves the trade of an extensive frontier from unjust, impolitic exactions and restrictions.

Even if it is correct, as has been alleged, that "the province of Canada,* by its recent legislation, has violated the spirit of the treaty," no retaliatory action would be justified, which will be productive of

* The increase in the Canadian tariff applies equally to American and British produce. No duty is levied upon articles named in the treaty, of which Canada alone has taken from this country, since the treaty was ratified, thirty-seven millions seven hundred and three thousand dollars in value.

no less evil to this country than to the Canadians, and which would manifestly be unjust to the three important and rising colonies of Nova Scotia, New Brunswick, and Prince Edward's Island, and the valuable outlying colony of Newfoundland, which flanks the St. Lawrence and the great lakes, as Cuba does the Gulf of Mexico and the Mississippi—all of which colonies were parties to the treaty equally with Canada, who have faithfully adhered to its stipulations, and under its provisions have established a mutually advantageous trade with New England and other Atlantic States.

It should not be forgotten that this treaty was not one of commerce merely, but that it secured to this country especially most important national concessions. Under its provisions, the river St. Lawrence, the natural outlet of the great west, as of Canada, has, for the last six years, for the first time since the treaty of peace of 1783, been as perfectly free to the people of the northwestern States as to the Canadians. The original rights of this country to the fisheries* so long in dispute have been regained by the treaty, and the dangerous irritation which that question annually occasioned for near forty years has so completely subsided that for seven years no ship-of-war has been required to make its annual visits to the fishery grounds to protect the rights of American fishermen.

But your memorialist believes that mere negative action on the part of Congress is not sufficient at this juncture. Commerce is sensitive to the slightest tokens of instability. The hostile movements referred to have already created a sense of insecurity, which embarrasses the valuable trade with the colonies and affects all commercial arrangements connected with it. It operates with peculiar disadvantage to this country; for it has a tendency to induce the Canadians to seek their former markets in Great Britain, through their great natural channel, the St. Lawrence, and to forsake the outlets of New York and Boston, and the artificial channels, the canals and railways, which have derived a most important revenue from the Canadian trade.

From these considerations your memorialist prays your honorable bodies to refer the subject of the commercial intercourse between the United States and the British North American provinces to some appropriate committee, with the view, if the facts should justify it, such a report may be presented to Congress as will give the assurance to the large number of persons interested in this trade, and in the continuance of the other privileges secured by the treaty, that any change which may be made in the policy under consideration shall be in enlarging the basis of the treaty and in perfecting the system, but not in destroying it.

Respectfully submitted.

I. D. ANDREWS.

WASHINGTON, *June 6, 1860.*

* It is proper to refer to executive documents transmitted to Congress from the Department of State, to show the urgent necessity of having this important question amicably adjusted.

